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To: restructure.sizestandards@sba.gov

Subject: RIN 3245-ZA02

This comment is in regard to the proposal to restruture small business size to allow those with Venture Capital investments to still be deemed a small business.

While one can see some wisdom of allowing a smalll busines to remain so in the face of a Venure Capital investment, the other side of the coin is that this would open the door for the venture capital industry to start to 'raid' the SBIR program, and create an even greater drain on the availabiltiy of the fund to be used by those truly in need, the entrepreneur with the startup idea.

Why should the government be in the business of susidizing the venute Capital industry (which is essentially all this would be doing).

Perhaps such a change in the guideline would be OK with some checks and balances, such as: The investment by the venture capital firm in the business cannot be more than some small percentage of the control of the company (10%, 25%, 33%). Once the venture capital firm takes over comntrolling interest, by no means should the business be afforded any further protection of a small buainess status.

The amount of G&A or overhead allowed for such firms shouls have even stricter limits and guidelines, so that Venture capital firms cannot use the SBIR program to fund anything not having to do **directly** with the proposal.

Overall, it is a bad idea.

Thank you

Georhe Hansen

President

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